

REMARKS

After entry of the present amendments, claims 1-74 remain in this application. No claims have been amended, canceled, or added.

I. CLAIM REJECTIONS

In the previous Office Action dated December 13, 2004, claims 1, 2, 5-7, 12, 13, 22, 25, 27-28, 30-32, 37, 41-42, 44-46, 51-52, 60, 63, and 65 were rejected under 35 U.S.C. § 102(b) as being allegedly anticipated by U.S. Patent No. 5,923,252 to Sizer et al. In the present Office Action, claims 1-74 are now rejected under 35 U.S.C. § 103(a) as being allegedly unpatentable over U.S. Patent No. 5,429,361 (Raven et al.) in view of Sizer et al. Apparently conceding that Sizer et al. does not disclose, *inter alia*, a gaming machine (*c.f.* Office Action at 11), the Office Action now asserts that it would have been obvious to modify Raven et al. to include the wireless features of Sizer et al. and arrive at Applicants' invention. Applicants respectfully traverse these rejections.

II. THE EXAMINER HAS NOT ESTABLISHED A PRIMA FACIE CASE OF OBVIOUSNESS

To establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. *In re Royka*, 490 F.2d 981 (CCPA 1974). “All words in a claim must be considered in judging the patentability of that claim against the prior art.” *In re Wilson*, 424 F.2d 1382, 1385 (CCPA 1970); *see also In re Ochiai*, 71 F.3d 1565, 1572 (Fed. Cir. 1995) (*stating* “[w]hen evaluating the scope of a claim, every limitation in the claim must be considered”). Further, to establish obviousness based on a combination of the elements disclosed in the prior art, there must be some motivation, suggestion or teaching of the desirability of making the specific combination that was made by the applicant. *See, e.g., In re Dance*, 160 F.3d 1339, 1343, 48 USPQ2d 1635, 1637 (Fed. Cir. 1998).

The factual question of motivation is material to patentability cannot be dispensed with by a generalized assertion. Broad conclusory statements, standing alone, are not “evidence.” *McElmurry v. Arkansas Power & Light Co.*, 995 F.2d 1576, 1578 (Fed. Cir. 1993). “The factual inquiry whether to combine references must be thorough and searching.” *McGinley v. Franklin*

Sports, Inc., 262 F.3d 1339, 1351-52 (Fed. Cir. 2001). It must be based on objective evidence of record. *In re Sang-Su Lee*, 277 F.3d 1338, 1345-46 (Fed. Cir. 2001); *see also In re Thrift*, No. 01-1445 (Fed. Cir. Aug. 9, 2002) (U.S. Patent Application No. 08/419,229). “A showing of a suggestion, teaching, or motivation to combine the prior art reference is an ‘essential component of an obviousness holding.’” *Brown & Williamson Tobacco Corp. v. Phillip Morris, Inc.*, 229 F.3d 1120, 1124-25 (Fed. Cir. 2000) (quoting *C.R. Bard, Inc. v. M3 Systems, Inc.*, 157 F.3d 1340, 1352 (Fed. Cir. 1998)). The need for specificity pervades this authority. *In re Sang-Su Lee*, *supra*, citing *In re Kotzab*, 217 F.3d 1365, 1371 (Fed. Cir. 2000) (“particular findings must be made as to the reason the skilled artisan, with no knowledge of the claimed invention, would have selected these components for combination in the manner claimed”).

Additionally, the mere fact that references can be combined or modified does not render the resultant combination obvious unless the prior art also suggests the desirability of the combination. *In re Mills*, 916 F.2d 680 (Fed. Cir. 1990). Although a prior art device “may be capable of being modified to run the way the apparatus is claimed, there must be a suggestion or motivation in the reference to do so.” 916 F.2d at 682 (see also *In re Fritch*, 972 F.2d at 1260 (Fed. Cir. 1992)). The Examiner must show reasons why a skilled artisan, confronted with the same problems as the inventor and with no knowledge of the claimed invention, would select the elements from the cited prior art references for combination in the manner claimed. *In re Rouffet*, 149 F.3d 1350, 1357 (Fed. Cir. 1998). Moreover, the showing must be clear and particular. *See, e.g., In re Dembiczak*, 50 U.S.P.Q.2d 1614, 1617 (Fed. Cir. 1999).

In the Final Office Action, the Examiner has failed to discharge his burden in establishing a *prima facie* case of obviousness by:

(1) failing to consider the entire teaching of Raven et al., which makes it clear that Raven et al.’s system is specifically designed to be devoid of the claimed wireless features and, because Raven et al. teaches a manually inserted card, Raven et al. teaches away from the claimed wireless features;

(2) setting forth an alleged motivation to combine the Raven et al. and Sizer et al. that is legally deficient; and

(3) combining Raven et al. with a non-analogous reference (Sizer et al.) that would not have been reasonably pertinent to the problem with which the present invention is concerned.

Each of these flaws in the obviousness rejection, by itself, is enough to overcome the obviousness rejection set forth in the Final Office Action. Each of the flaws will now be discussed in order.

A. The Office Action Fails to Consider The Entire Teaching of Raven, Which *Teaches Away* From The Claimed Invention

The Office Action does not address several points made by Applicants in response to the previous December 13, 2004, Office Action. First, the Office Action does not address Applicants' arguments, supported by citations to Raven et al., that Raven et al. *teaches away* from Applicants' invention. Such evidence of "teaching away" constitutes potent evidence of nonobviousness. *In re Bell*, 991 F.2d 781, 26 U.S.P.Q.2d 1529 (Fed. Cir. 1993); *Specialty Composites v. Cabot Corp.*, 845 F.2d 981, 6 U.S.P.Q.2d 1601 (Fed. Cir. 1988); *In re Hedges*, 783 F.2d 1038, 228 U.S.P.Q. 685 (Fed. Cir. 1986); *W. L. Gore & Associates, Inc. v. Garlock, Inc.*, 721 F.2d 1540, 220 U.S.P.Q. 303 (Fed. Cir. 1983); *In re Marshall*, 578 F.2d 301, 198 U.S.P.Q. 344 (C.C.P.A. 1978). Raven et al. suffers from precisely the drawback clearly identified in Applicants' Background of the Invention section, cited in response to the previous Office Action, which Applicants' invention sought to overcome:

Heretofore, to communicate with gaming machines, portable data units of the above type have had to be *manually inserted* by players into data unit readers at the gaming machines. This arrangement suffers from numerous drawbacks. First, the process of retrieving the portable data unit and manually inserting it into a data unit reader can be inconvenient to a player especially if the player wishes to play numerous gaming machines in a relatively short period of time. Second, unless the portable data unit is somehow attached to the player by a string, chain, or the like, a player may forget to remove the portable data unit from the data unit reader upon completion of a gaming session, thereby possibly allowing a subsequent unscrupulous player at that gaming machine to use the data unit for his/her own benefit. Third, data unit readers are often disposed at peculiar locations on gaming machines, such as above a video or mechanical display. This, in turn, requires a player to awkwardly reach for the peculiar location to manually insert the portable data unit. If the portable data unit is attached to a string or the like, it is common for the string to hang over and partially obscure the machine display as the player plays the gaming machine.

Page 2, line 21 to page 3, line 2 (emphasis added). Applicants refer to and incorporate herein the arguments made in response to the previous Office Action at pages 15-17.

As the Examiner is aware, Raven et al. must be considered in its entirety, including portions that would lead one skilled in the art away from the claimed invention. *See W.L. Gore & Associates, Inc. v. Garlock, Inc., supra*. With that being said, the Examiner must consider the following numerous statements in Raven et al. that teach *repeatedly* that the DMK 12 receives a card that is *inserted* into the DMK 12 reader, the precise problem that Applicants' invention sought to overcome. *See, e.g.*, Abstract ("The control unit can accept personality data from a card *inserted* into the card reader"); Claim 7 ("said transmitting means accepts said personality data from a card *inserted* into said card reader"); Claim 10 ("wherein the player is identified by a card *inserted* in said card reader and said card is reinserted to reactivate the gaming machine"); Claim 11 ("said control means is responsive to a card *inserted* in said card reader"); Claim 15 ("cashless means which responds to a credit card *inserted* into said card reader"); col. 3, ll. 38-39 ("Once an employee card has been *inserted* into the card reader 34"); col. 4, ll. 45-47 ("the countdown resets to this value when a different player card is *inserted* into the card reader"); col. 4, ll. 62-64 ("The DMK 12 receives three types of input data: card data read from a card *inserted* by either a player or employee"); col. 6, ll. 46-47 ("The magnetic card reader 48 accepts bit stream data from an *inserted* magnetic card"); col. 7, ll. 51 ("After the player *inserts* his card containing good data); col. 8, ll. 35-37 ("The reservation mode may also be canceled by *insertion* of an employee card into the card reader 34"); col. 8, ll. 41-42 ("A valid employee card *inserted* into the card reader 34"); col. 9, ll. 40-41 ("To enter this mode, the employee will *insert* his card"); col. 10, ll. 49 ("The player *inserts* his magnetic card into the magnetic 48 or combined magnetic/smart 34 card reader in the DMK 12"); col. 11, ll. 30-31 ("The player *inserts* the card into the smart 46 or combined smart/magnetic card 34 reader"); col. 10, ll. 60-62 ("the player must request a transfer of credits from the system each time he *inserts* his magnetic card").

As a result, Applicants submit that one of ordinary skill in the art would find no inspiration whatsoever in Raven et al. for modifying it to incorporate the wireless features as claimed. The combination of Raven et al. (which discloses wired instead of wireless data systems) and Sizer et al. (which does not disclose a gaming machine) actually teaches away from their combination, and therefore they cannot be combined to reject Applicants' claims.

Moreover, modification of Raven et al. to include wireless functionality would fundamentally change the principle of the operation of the wired system and would require a

substantial reconstruction and redesign of the teachings of Raven et al. Nearly all of the hardware and software components disclosed in Raven et al. would have to be substantially modified in order to adapt the wired system to the claimed wireless systems and methods. Substantial redesign to arrive at a claimed invention is also potent evidence of non-obviousness.

B. The Alleged Motivation For Combining Raven and Sizer is Legally Deficient

It is well settled that there must be some motivation that would have led one of ordinary skill in the art to combine references or modify references to arrive at the claimed invention. *See, e.g., B.F. Goodrich Co. v. Aircraft Breaking Sys. Corp.*, 72 F.3d 1577, 1582, 37 USPQ2d 1314, 1318 (Fed. Cir. 1996); *Al-site Corp. v. VSI Int'l Inc.*, 174 F.3d 1308 (Fed. Cir. 1999); *In re Kotzab*, 217 F.3d 1365 (Fed. Cir. 2000). The Examiner must show reasons why a skilled artisan, confronted with the same problems as the inventor and with no knowledge of the claimed invention, would select the elements from the cited prior art references for combination in the manner claimed. *In re Rouffet*, 149 F.3d 1350, 1357 (Fed. Cir. 1998). Moreover, the showing must be clear and particular. *See, e.g., In re Dembicza*k, 50 USPQ2d 1614, 1617 (Fed. Cir. 1999); *C.R. Bard, Inc. v. M3 Sys., Inc.*, 157 F.3d 1340, 1352 (Fed. Cir. 1998). Broad conclusory statements, standing alone, are not “evidence” supportive of a *prima facie* showing. *McElmurry v. Arkansas Power & Light Co.*, 995 F.2d 1576, 1578 (Fed. Cir. 1993). “The factual inquiry whether to combine references must be thorough and searching.” *McGinley v. Franklin Sports, Inc.*, 262 F.3d 1339, 1351-52 (Fed. Cir. 2001). It must be based on objective evidence of record. *In re Sang-Su Lee*, 277 F.3d 1338, 1345-46 (Fed. Cir. 2001); *see also In re Thrift*, 298 F.3d 1357, 1364, 63 USPQ2d 2002, 2006 (Fed. Cir. 2002).

In *In re Sang-Su Lee, supra*, the court admonished the Board of Patent Appeals and Interferences for failing to perform a “thorough and searching” factual inquiry in its reliance on the Examiner’s “conclusory statements,” emphasized that “determination of patentability must be based on evidence,” and stated that the Board “cannot rely on conclusory statements when dealing with particular combinations of prior art and specific claims.” *In re Sang-Su Lee*, 277 F.3d at 1345-46.

In view of this overwhelming precedent setting forth the evidentiary requirements for setting forth a *prima facie* case of obviousness under 35 U.S.C. § 103(a), it is respectfully

submitted that the Examiner's stated motivation for combining Sizer's marketing system and Raven's manually inserted card system (*i.e.*, "to add the feature of establishing a wireless link with the portable data unit when the unit with within proximity to the gaming machine, but without inserting the portable data unit in the gaming machine," Office Action. p. 4) is wholly conclusory and fails to satisfy the evidentiary requirements for establishing a *prima facie* case of obviousness.

The well-established case law mandates the Applicants should not be left to guess as to the Examiner's position on the alleged motivation for combining Sizer and Raven. Without question, the Examiner has failed to clearly and particularly show that Sizer and Raven teach or suggest reasons why a skilled artisan, and with no knowledge of the claimed invention, would select the wireless features of Sizer's fundamentally different marketing system and add them to Raven's manual card system. There is simply no cognizable suggestion or motivation in either reference to make the proffered combination. Indeed, as discussed above, Raven teaches away from modifying the hard-wired connections into wireless links.

The only teaching of this combination is found within Applicant's disclosure. Any reliance on Applicant's disclosure to support the rejection is improper. "It is impermissible to use the claimed invention as an instruction manual or 'template' to piece together the teachings of the prior art so that the claimed invention is rendered obvious." *In re Fritch*, 23 U.S.P.Q.2d 1780 (Fed. Cir. 1992); *see also* *In re Vaeck*, 947 F.2d 488 (Fed. Cir. 1991) ("The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on the applicant's disclosure."); *W.L. Gore & Assocs., Inc. v. Garlock, Inc.*, 721 F.2d 1540, 1553, 220 U.S.P.Q. 303, 313 (Fed. Cir. 1983).

The legal concept of *prima facie* obviousness is a procedural tool of patent examination, allocating the burdens of going forward with production of evidence in each step of the examination process. *See, e.g.*, MPEP § 2142. The Examiner bears the initial burden of factually supporting any *prima facie* conclusion of obviousness. "If examination at the initial stage does not produce a *prima facie* case of unpatentability, then without more the applicant is entitled to grant of the patent." *In re Oetiker*, 24 U.S.P.Q.2d 1443, 1444 (Fed. Cir. 1992).

Because the Office Action failed to clearly and particularly show reasons why a skilled artisan, confronted with the same problems as the inventor and with no knowledge of the claimed

invention, would select the elements from Raven and Sizer for combination in the manner claimed, Applicants respectfully submit that the pending claims are allowable thereover.

C. Sizer Is Non-Analogous Art Because It Is Directed To a Fundamentally Different Marketing System

The Office Action repeats its assertion that the point-of-sale products disclosed in Sizer et al. are analogous to gaming machines but does not address Applicants' point that the analogy fails because the customers engaged by Sizer's marketing device do not interact in any way with the marketing device itself. Applicants may not have clearly pointed out this critical distinction in the previous response, and will endeavor to provide a better explanation here. Simply put, Sizer is directed to a fundamentally different marketing system than that employed in a casino environment with gaming machines.

For a reference to be considered "analogous," the reference must "either be within the field of applicant's endeavor or, if not, then must be reasonably pertinent to the particular problem with which the inventor was concerned." *In re Oetiker*, 977 F.2d 1443, 1446 (Fed. Cir. 1992). A reference is "reasonably pertinent" if it "would have logically commended itself to an inventor's attention in considering his problem." *Wang Labs., Inc. v. Toshiba Corp.*, 993 F.2d 858 (Fed. Cir. 1993). Here, Sizer relates to a passive marketing device with which a customer *in no way* interacts, which broadcasts messages to passers-by to induce them to purchase products in the vicinity of the marketing device.

The test for determining whether a reference is "reasonably pertinent" is *not* whether the reference may have been considered analogous to the inventor. Instead, the test for determining whether a reference is "reasonably pertinent" is whether the reference would have *logically* commended itself to some other potential inventor's (*i.e.*, some other person) attention in considering the problem faced by the present inventors. It is submitted that Sizer would not have logically commended itself to an inventor of the claimed systems and methods.

The Examiner must approach the obviousness issue from the view-point of one using ordinary skill in the art who is not an innovator but follows conventional wisdom. In other words, a person of ordinary skill in the art, seeking to solve a problem of communicating with a gaming machine over a wireless link for such purposes as cashless gaming, player tracking, game

customization, and data transfer, would not have reasonably been motivated to look to a reference relating to an audio/visual device for delivering messages for marketing purposes. *See In re Oetiker*, 977 F.2d 1443 (Fed. Cir. 1993). It is *immaterial* that the inventor himself arrived at the claimed combination of elements.

Further, the classifications of the applied references is evidence of non-obviousness that must be considered by the Examiner. **Sizer** is primarily classified under **Int. Cl. G08B 23/00**, entitled “Signaling or Calling Systems; Order Telegraphs; Alarm Systems,” subpart 00 relating to “alarms responsive to unspecified undesired or abnormal conditions.” In contrast, **Raven** is primarily classified under **Int. Cl. A63F 9/24**, titled “Card, Board, or Roulette Games; Indoor Games Using Small Moving Playing Bodies; Miscellaneous Games,” subpart 24 relating to “games using electronic circuits not otherwise provided for.” There is absolutely no overlap or commonality in the classifications of these references or in the fields of search considered relevant by examiners prosecuting these applications. This constitutes evidence of non-obviousness.

For at least the foregoing reasons, **Sizer** is non-analogous art to the problem at hand, and therefore is not an appropriate prior-art reference to be used for an obviousness-type rejection for any of the pending claims. The customer in no way interacts with the message delivery device 1 of **Sizer et al.** nor would a customer interact with the inanimate retail products (*e.g.*, wine bottles) associated with the message delivery device 1. Customers engaged by **Sizer**’s marketing device are not lured to purchase or interact with the message delivery device 1; rather they are engaged to purchase the point-of-sale products in the vicinity of the message delivery device 1. By contrast, according to Applicants’ invention, players are encouraged to interact with the gaming machine itself. In this respect, Applicants’ invention differs significantly from the marketing device in that the customers of **Sizer**’s marketing device *in no way interact with it* nor are invited or encouraged to interact with it.

The analogy created by the Office Action can be summarized in the following table:

Sizer et al.	Applicant’s Invention
Customer	Player
Message delivery device 1	????
Point of sale products	Gaming machine

The problem with the above analogy is as follows. If the message delivery device is analogous to a gaming machine, then the Office Action's point about how a casino is merely a specialized type of retail establishment where the POS devices are gaming machines misses the mark. If the POS products are analogous to the gaming machine, then the Examiner has failed to explain the role of the message delivery device in the analogy. The crux of the problem lies in the fact that Sizer et al. is directed to different types of retail environments than a casino. In the retail environments described in Sizer, the customers are marketed to via the message delivery device that attracts them to the nearby POS products, and, if interested, they purchase the POS product. In a casino, the players are marketed by the gaming machines themselves, and, if interested, they purchase a wager on the gaming machine itself. In this respect, Sizer et al. is also non-analogous art to Applicants' invention, because Sizer et al. relates to a fundamentally different type of marketing system than is applicable to a casino environment.

By contrast, claim 70, as previously amended, for example calls for, *inter alia*, "playing a wagering game on the gaming machine using the transmitted information." Claim 66, as previously amended, calls for, *inter alia*, means for initiating a wagering game on the gaming machine based at least in part on the transmitted monetary information. Claim 39, as previously amended, calls for, *inter alia*, initiating a wagering game on the gaming machine based at least in part on the transmitted monetary information. Claim 68 recites, *inter alia*, accessing monetary information from a player's monetary account associated with the personal identifier transmitted via a wireless transmission link from the portable data unit to the gaming machine. These limitations are absent from the Raven-Sizer combination, and therefore the combination fails as a Section 103(a) rejection. For at least the foregoing additional reasons, claims 39, 66, 68, and 70 are believed to be patentable over Raven in view of Sizer.

C. Applicants Continue to Traverse Rejections of Dependent Claims

The Office Action continues to reject dependent claims, which Applicants pointed out in response to the previous official communication are clearly not disclosed in neither Raven, nor Sizer, nor the combination of Raven and Sizer.

Regarding claims 10, 35, and 49, Raven does not disclose encrypting the transmitted information, and therefore Applicants continue to traverse these rejections. As Applicants pointed out in response to the previous Office Action, converting data into binary, decimal, hexadecimal, or ASCII codes is not encryption. Encryption has a well understood meaning to those of ordinary skill in the art, and Applicants submit that the techniques cited by the Office Action from Raven et al. do not constitute encryption.

Regarding claims 17 and 55, Applicants continue to traverse these rejections because Raven et al. does not disclose using game customization information to adapt the gaming machine to player preferences. The “casino-defined” parameters described in column 3, line 38 to column 4, line 61 of Raven are not player preferences. Raven et al. twice explicitly characterizes these functions as “casino-defined.” *See* col. 3, ll. 65-66 & col. 4, l. 59. By contrast, examples of player preferences are provided on page 16, lines 1-4 of Applicants’ disclosure:

The player preferences may include the preferred game (game type), the preferred configuration of the gaming machine (language, sound options, speed of reel spins, number of coins played per handle pull), and the preferred distribution of awards (payout structure, payout options, form of complimentaries, currency).

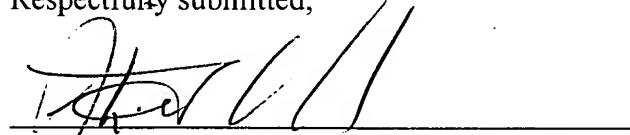
Indeed, the disclosure also explicitly distinguishes between player preferences and casino preferences (*see* page 16). Accordingly, Applicants respectfully submit that the preferences disclosed in Raven et al. are casino-defined, not player-defined, and therefore claims 17 and 55 are patentable thereover.

III. CONCLUSION

Applicant respectfully requests that a timely Notice of Allowance be issued in this case.

It is believed that no fee is presently due; however, should any additional fees be required (except for payment of the issue fee), the Commissioner is authorized to deduct the fees from Jenkens & Gilchrist, P.C. Deposit Account No. 10-0447, Order No. 47079-00107USD1.

Respectfully submitted,



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